

# The State of Arizona Essential Health Benefits (EHB)

## Selecting a Benchmark Plan

June 28, 2012

# Selecting an Essential Health Benefits Benchmark Plan – EHB Covered Categories

Federal law requires States to establish the Essential Health Benefits (EHBs) that must be included in new individual and small group health insurance policies both inside and outside of the Exchange. The law requires that EHBs include items and services within at least the following 10 categories:

- Hospitalization
- Emergency services
- Ambulatory patient services
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care

## Selecting an Essential Health Benefits Benchmark Plan – Choosing a Benchmark Plan

The EHB must be based on a benchmark plan selected by the State and must satisfy the following requirements:

- Cover services within each of the 10 statutory service categories of EHB
- Chosen from the 10 benchmark plan options identified based on federal criteria\*
- Supplemented from the federally defined options if the chosen benchmark plan does not provide coverage for all of the EHB categories

***Whichever plan is chosen becomes the “model” – meaning the services covered in that plan become the EHB for all future policies sold on and off the Exchange. The limitations and exclusions of the chosen benchmark plan also become standard in ALL new individual and small group plans.***

\* See full EHB Report for complete explanation of how the eligible benchmark plans were identified  
<http://www.azgovernor.gov/hix/documents/Grants/EHBReport.pdf>

# Selecting an Essential Health Benefits Benchmark Plan – EHB Decision Tree

Largest plan by enrollment in any of the three largest products in the State's **small group market**

# 1	# 2	# 3
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Any of the largest three **State employee health benefit plans** by enrollment

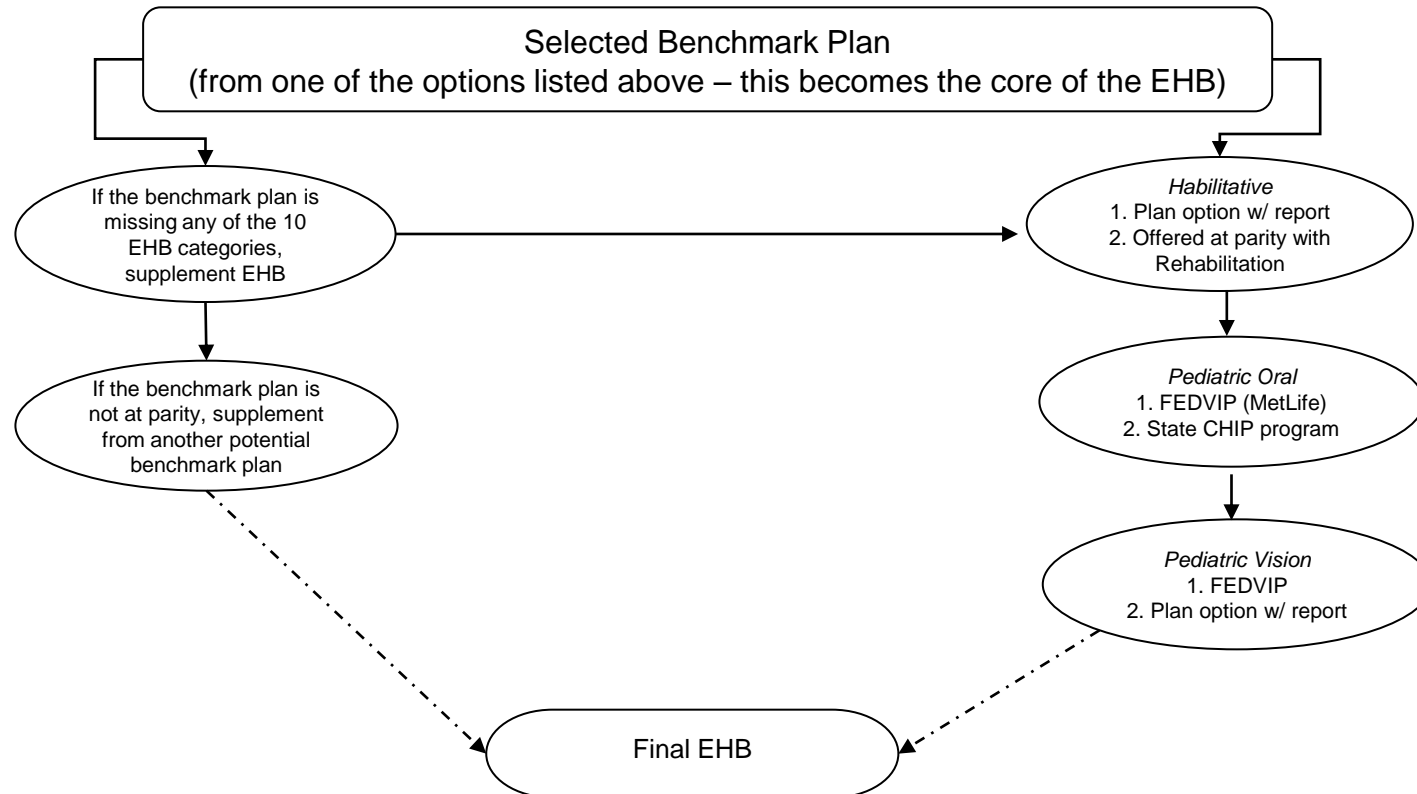
# 4	# 5	# 6
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Largest insured **commercial non-Medicaid HMO**

# 7
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Any of the largest three national **Federal Employee Health Benefit Plan** options by enrollment

# 8	# 9	# 10
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# Selecting an Essential Health Benefits Benchmark Plan – Preliminary Guiding Principles

The following principles will guide the State as it considers its benchmark plan options:

- Avoid having to defray the cost of State-mandated coverage not included in the selected benchmark plan
- Meet federal requirements, including the ten categories of benefits, plus any parity requirements
- Be affordable and promote carrier participation
- Ensure medical efficacy and coverage of treatments that adequately prevent, ameliorate or cure conditions and diseases as effectively as possible
- Consider input of consumers and other stakeholders
- Ensure consumer demand/marketability and ease of understanding for consumers
- Minimize administrative burden on the State
- Provide ease of administration by plans

## Selecting an Essential Health Benefits Benchmark Plan – Questions and Comments

Mercer prepared a report on EHB for the State that can be found here:

<http://www.azgovernor.gov/hix/documents/Grants/EHBReport.pdf>

The State invites input on the benchmark plan options and requests that they be submitted no later than August 1, 2012. The State will be selecting a Benchmark Plan no later than September 30, 2012. Feedback can be submitted one of two ways:

Via survey to determine which of the guiding principles listed earlier are most important. That survey can be found here:

<http://www.surveymonkey.com/s/ZP5QDNL>

Or

By email submission to the following address: [HIX@az.gov](mailto:HIX@az.gov).